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USDA RURAL DEVELOPMENT ANNOUNCES FUNDING FOR CITY OF DILLEY

DILLEY, TEXAS, February 28, 2006-- Bryan Daniel, USDA Rural Development State Director, today announced that the City of Dilley has been selected to receive \$1,795,000 through the agency's Community Program's Water and Waste Disposal Loan and Natural Disaster Grant Program. The funding will be used to make improvements to the City's water system, previously damaged by flooding and high wind. Construction of a new 500,000 gallon ground storage tank and a 75,000 gallon detention tank, new chlorination facilities and aerator tower, a control building, and piping will improve the water supply and quality for 1,068 customers in the City of Dilley.

"The USDA Rural Development Water and Waste Disposal Programs target public health benefits and economic opportunities in America's rural communities," said Daniel. "Projects such as this one in Dilley will help make the environment cleaner and protect the public health for local residents."

In Fiscal Year 2005, \$80.7 million of loan and grant assistance was distributed throughout rural Texas to 315,249 households. USDA Rural Development's Water and Waste Disposal Program is designed to bring fresh, clean drinking water and sanitary, environmentally sound sewage facilities to rural America's 53 million residents. Loans and grants are available to rural communities with fewer than 10,000 residents. Public bodies, corporations operating on a non-profit basis, and Indian tribes, that are unable to obtain credit from other sources at reasonable rates and terms, are eligible for assistance.

USDA Rural Development was created in 1994 to serve Texas' more than 3.6 million rural residents. For further information regarding USDA Rural Development Programs, contact the Hebbronville Local Office at (361) 527-3253, Extension 4, or visit our website at http://rurdev.usda.gov/tx/.

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